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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Quarterly Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the Quarter Ended
ended December 31, 1991.

Commission file
No. 33-30743

PIERCE INTERNATIONAL DISCOVERY, INC.
(Exact name of registrant as specified in its charter)

Colorado
(State or other jurisdiction of
incorporation or organization)

84-1121360
(I.R.S. Employer ID.)

12200 E. Briarwood Avenue, Suite 270, Englewood, CO 80112
(Address of principal executive offices) (Zip Code)

Registrants's telephone number, including area code (303)-792-0719

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the proceeding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Class	Outstanding at December 31, 1991
Common Stock, no par value	47,073,553

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*The accompanying financial statements are not covered by an independent certified public accountants' report.

PIERCE INTERNATIONAL RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
UNAUDITED

ASSETS		December 31, 1991 (Unaudited)	JUNE 30, 1991
CURRENT ASSETS:			
Cash		$9,670	$4,290
Note Receivable	(Note 5)	13,700	-
		23,370	4,290
PROPERTY AND EQUIPMENT			
Office furniture and equipment		1,750	1,750
Water Sports Equipment (Note 3)		8,000	57,821
		9,750	59,579
Less accumulated depreciation and amortization		1,741	16,485
		8,017	43,094
OTHER ASSETS		4,075	3,041
		$35,470	$50,425

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:			
Accounts payable and accrued liabilities		$24,132	$29,688
Advances from officers/directors/ stockholders	(Notes 4, 6 & 7)	27,500	88,391
Notes Payable	(Note 5)	25,000	20,000
Accounts Payable Related Party	(Note 6)	51,000	90,657
Accrued Interest Payable		5,527	6,548
Total current liabilities		128,160	232,284
STOCKHOLDERS' EQUITY:	(Notes 4, 6, & 7)		
Preferred stock, no par value: 10,000,000 shares authorized, no shares issued			
Common stock, no par value; 750,000,000 shares authorized; 47,873,553 shares issued and outstanding		494,577	331,213
Accumulated deficit		(587,275)	(512,992)
Total		$35,470	$50,425

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PIERCE INTERNATIONAL RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	(UNAUDITED) FOR THE THREE MONTHS ENDED DECEMBER 31, 1991	FOR THE THREE MONTHS ENDED DECEMBER 31, 1990	(UNAUDITED) YEAR T DATE DECEMBER 31, 1991	YEAR TO DATE DECEMBER 31, 1990
REVENUE:				
Commissions and fees	$1,698	$3,019	$4,013	$3,507
	1,698	3,019	4,013	3,507
EXPENSES:				
Labor, taxes & benefits	5,794	6,997	18,867	14,686
General & administrative	6,882	9,222	18,995	26,609
Advertising & public relations	65	11,733	93	30,886
Legal & outside services	12,883	5,464	32,695	22,128
Lease & rental expense	-	33	635	33
Loss on equipment sale	-	-	10,773	-
Depreciation & amortization	1,879	3,130	3,835	6,866
Interest expense	674	1,389	1,713	2,174
Total expenses	25,357	37,968	78,296	113,324
NET LOSS	($23,659)	($34,949)	($74,283)	($109,817)
NET LOSS PER COMMON SHARE	($0.001)	($0.001)	($0.002)	($0.004)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	47,873,553	28,250,000	45,095,003	28,250,000

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PERFECT INTERNATIONAL ENTERPRISES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JUNE 30, 1989
TO OCTOBER 31, 1991
UNAUDITED

	COMMON STOCK		ACCUMULATED DEFICIT	TOTAL STOCKHOLDERS' EQUITY (DEFICIT)
	SHARES	AMOUNT		
Balances, June 30, 1989	20,250,000	$41,375	($7,083)	$34,292
Net loss for the year	-	-	(214,251)	(214,251)
Balances, June 30, 1990	20,250,000	$47,375	($221,334)	($177,959)
Proceeds from public offering ($.05 par share), net of offering costs of $30,930	8,317,120	160,930	-	160,930
Sale of common stock to Officer and Director ($.03 per share)	3,963,333	110,900	-	110,900
Net loss for the year	-	-	(291,650)	(291,650)
Balances, June 30, 1991	30,330,453	$31,213	($512,984)	($181,779)
Issuance of common stock as compensation ($.05 per share)	220,000	2,200	-	2,200
Issuance of common stock as compensation to Officers/Director	1,600,000	-	-	-
Conversion of debt to equity by Officer/Director ($.0284 per share)	2,333,333	66,303	-	66,303
Sale of common stock to Officer and Director ($.05 per share)	1,440,167	43,605	-	43,605
Sale of common stock to Officer and Director ($.01 per share)	1,174,500	11,745	-	11,745
Net loss for the period	-	-	(90,634)	(90,634)
BALANCES, September 30, 1991	43,118,453	$495,006	($603,618)	($108,610)
Sale of common stock to Officer and Director ($.01 per share)	1,910,600	19,106	-	19,106
Conversion of debt to equity by Officer/Director ($.01 per share)	2,030,500	20,305	-	20,305
Net loss for the period	-	-	(23,690)	(23,690)
BALANCES, December 31, 1991	47,077,553	$494,577	($587,275)	($92,698)

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PUBLIC INTERNATIONAL RESOURCES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	FOR THE SIX MONTHS ENDED DECEMBER 31,	
	1991	1990
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	($74,283)	($109,817)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	3,303	6,276
Amortization of Organizational Costs	533	533
Increase in note receivable	(13,700)	-
Bank overdraft	-	0
Increase in accounts receivable	-	154
Deposits	(1,566)	-
Increase in accounts payable	(4,476)	11,292
Increase (Decrease) in accounts payable to related parties	(39,657)	89,652
Loss on equipment sale	10,773	-
Increase in accrued interest payable	979	1,883
Net cash used in operating activities	($118,094)	($100)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from property and equipment sale	23,000	-
Net cash used in investing activities	23,000	0
CASH FLOW FROM FINANCING ACTIVITY:		
Receipts/Payments to officers/directors/stockholders	(60,082)	(33,953)
Proceeds from issuance of common stock	163,364	168,930
Proceeds from note payable	-	19,750
Deferred offering costs netted against proceeds	-	15,117
Net cash provided by financing activities	102,482	169,854
NET INCREASE IN CASH	5,388	169,766
CASH, beginning of the period	4,290	14,001
Cash, end of period	$9,678	$184,547

SEE NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PIERCE INTERNATIONAL DISCOVERY, INC. AND SUBSIDIARIES
(UNAUDITED)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1991

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Operations - Pierce International Discovery, Inc. (PIDI) was incorporated in Colorado on April 19, 1989. PIDI is a 42.81% owned subsidiary of Pierce International, Inc. (PI) which is a publicly held entity. PIDI and PI have common officers and directors. During 1989 PIDI formed a wholly-owned subsidiary, International Diving and Water Sports, Ltd. (IDWL), which operated in the Turks and Caicos Islands. Celebrity Expeditions, Inc. (CEI) and Underwater Diver's International, Inc. (UDI) are also wholly owned subsidiaries. CEI is the only operating entity. All the above will be collectively referred to as the Company. The Company intends to continue to develop its travel services related to the diving industry, as well as, provide full service travel expertise to corporations and individuals.

Principles of Consolidation - The consolidated financial statements include the accounts of PIDI, CEI, UDI, and IDWL. All significant intercompany accounts and transactions have been eliminated.

Net Loss Per Common Share - Net loss per common share is computed based upon the weighted average number of shares outstanding during the period.

Continuing Operations - The accompanying financial statements have been prepared on a going concern basis, which contemplates continuity of operations and realization of assets and satisfaction of liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the Company raising additional capital, and attaining and maintaining profitable operations. The Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern.

These interim financial statements should be read in conjunction with the Company's annual report and report on Form 10-K for the year ended June 30, 1991.

2. UNAUDITED INFORMATION

The information furnished herein was taken from the books and records of the Company without audit. However, such information reflects all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of management, necessary to reflect properly the results of the interim periods presented. Results of operations for the periods presented are not necessarily indicative of the results to be expected for the year.

3. NOTE RECEIVABLE:

Note receivable was accepted as balance of payment for the sale of the equipment in the Turks & Caicos. The note consists of 10 monthly installments of $800 and a balloon of $7,000 due in July of 1992.

4. STOCKHOLDERS' EQUITY:

In April and May 1989 the Company sold 26,750,000 shares of its common stock at $.0005 per share to PI and to its officers, directors, and certain individuals.

In May and June 1989 the Company sold 1,500,000 Units at $.02 per Unit to individuals in a private placement offering. Each Class A warrant entitles the holder to purchase one share of common stock at $.10 per share during a two-year period commencing on the date of the prospectus (April 11, 1990). The Company has the right to redeem the Class A warrants upon 30 days written notice at $.00001 per warrant, beginning three months from the date of the prospectus.

On December 28, 1990 the Company closed its public offering with net proceeds of $184,806. The number of units was 20,856, which includes 4,117,120 of the Company's no par value common stock. In addition the units included 1,029,280 B warrants exercisable at $.20 for two years from the date of the prospectus (April 11, 1990).

During the year ended June 30, 1991 the Company issued 3,963,333 common shares for $118,900 ($.03 per share) to an officer and director, Pierce D. Parker. During the quarter ended September 30, 1991, the Company issued to officers and directors, 1,448,167 and 1,174,500 common shares for $43,445 and $11,745 respectively. During the quarter ended December 31, 1991, 1,918,600 and 2,038,500 commons shares were issued for $19,186 and $20,385 (debt conversion) respectively. The funds were required for operations.

In addition, the company issued 1,830,000 common shares as compensation during the quarter ended September 30, 1991. Mark S. Cooper converted $66,303 of advances into 2,333,333 common shares.

The preferred stock may be issued by the Board of Directors in one or more series. The Board shall determine the distinguishing features of each, including preferences, rights and restrictions, upon the establishment of such series.

5. NOTE PAYABLE:

The Company borrowed $30,000 from Richard F. Cooper, Jr., a shareholder, on October 27, 1989. On March 12, 1990 the Company reduced the principal by $10,000. The note carries a 12% interest rate and is currently past due under the original terms. Mr. Cooper is a relative of Mark S. Cooper and is not expected to demand payment in the immediate future.

PIERCE INTERNATIONAL DISCOVERY, INC. AND SUBSIDIARIES
(UNAUDITED)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1991

6. RELATED PARTY TRANSACTIONS:

As of June 30, 1991, $18,000 had been accrued as management fees payable to PI. The fee covered office space, administrative, accounting, and management services. Total due PI at December 31, 1991 was $51,000.

In December of 1990, Pierce D. Parker, IRA purchased 800,000 shares in the Company's public offering.

Parker Consulting Profit Sharing Plan (Pierce D. Parker's S-Corporation) provided $43,445 by purchasing common stock for $.03 per share.

Mark S. Cooper provided $30,931 by purchasing common stock for $.01 per share.

The following shares were issued as compensation:

Mark S. Cooper	1,000,000
Nancy A. Cooper	400,000
Vicki D.E. Barone	200,000

Mr. Cooper also converted $66,303 of advances to equity totaling 2,333,333 common shares.

Dr. Pierce D. Parker converted $20,385 of advances to equity totaling 2,038,500 common shares.

Mark S. Cooper has accrued fees of $27,000. He earns $3,000 per month which began in April, 1991.

7. SUBSEQUENT EVENTS:

Mark S. Cooper purchased 384,100 common shares at $.01 per share for total contributed capital of $3,841.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations for the Quarter Ended December 31, 1991

Introduction

The quarter ended December 31, 1991, was one of continued commitment to following the Company's business plan. The Company closed its public offering in December 1990 with net proceeds of $184,305 and proceeded with full operations of its three entities, International Diving & Water Sports LTD (IDWL), Underwater Divers International, Inc (UDI), and Celebrity Expeditions, Inc (CEI). During the quarter ended September 30 1991, the Company ceased operations of IDWL and has sold a majority of the equipment located in the Turks & Caicos. The Company has discontinued operations of UDI. The Company will again commence operation of UDI, if funds are available. The travel card holders are being serviced by CEI.

Liquidity

The Company is insolvent. Working capital was a negative $104,790 at the quarter ended December 31, 1991. The Company continues to receive funds from officers and directors. Mr. Mark S. Cooper contributed $19,186 to the Company and Dr. Pierce D. Parker converted $20,385 of past advances to equity during the quarter ended December 31, 1991. Mr. Cooper has continued to support the Company since the quarter-ended December 31, 1991, with contributed capital (cash) of $3,841. Mr. Cooper earns $3,000 per month which began April 1, 1991. His fee was accrued with the balance being $27,000 at quarter end.

The Company needs to establish regular operating income. Currently, it is severely dependent upon two of its officers and directors for operating capital. There is no certainty how long they can, or will support the Company.

Results of Operations

During the second quarter-ended December 31, 1991 the Company suffered a net loss of $23,659. The year to date loss is $74,823. The previous year's second quarter loss was $34,949 and year to date was a loss of $109,817. Only $1,698 was generated in revenue for the second quarter-ended December 31, 1991. Labor expenses were $5,794 and outside consulting services were $12,883 (includes Mr. Cooper's fee).

The quarter was a severe disappointment for management due to lack of cash flow from any of its investments. Since the year end, the Company is concentrating its efforts on CEI. If CEI is unable to generate cash flow and eventually achieve profitable operations, or the Company is unable to locate and obtain alternative financing, the Company's ability to continue as a going concern is highly unlikely.

PART II - OTHER INFORMATION

ITEMS #1 THROUGH #6 (a) - No response required.

ITEM 6 (b) - No reports were filed on the Form 8-K during the quarter ended December 31, 19v..

SIGNATURES

Pursuant to the requirements of the Section 13 or 15(d) of the Securities Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

PIERCE INTERNATIONAL DISCOVERY, INC.

Dated: February 25, 1992

BY: /s/Pierce D. Parker
Pierce D. Parker,
President

BY: /s/ Vicki D.E. Barone
Vicki D.E. Barone,
Treasurer (Chief Financial and Accounting Officer)